Iowa Department of Transportation

Federal Transportation Briefing

A Periodic Report on Federal Transportation Activities

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New information in RED

The Senate and House reconvened November 15 to begin a post-election "lame duck" session. Democrats and Republicans in both chambers elected leaders for the 112th Congress that will convene January 5.

Deficit Reduction Commission

On November 11, the co-chairs of the bipartisan deficit reduction commission issued a draft document outlining a wide range of spending cuts, tax and tax reform options for reducing the annual deficit and paying down the debt. The co-chairs' draft is based on several guiding principles including one that states, "The problem is real, the solution is painful, there is no easy way out and everything must be on the table." One of the recommendations included in the draft is a gradual 15 cent increase in the motor fuel tax beginning in 2013. The final Deficit Reduction Plan was made public on Dec. 1. However, on Dec. 3 the Presidential Debt Commission received the endorsement of only 11 members; support was needed from 14 out of the 18 members to pass their recommendations for how the Administration and Congress can drastically reduce the annual deficit and the U.S. debt.

Annual Transportation Appropriations

FY 2011 – On July 29, the House passed its Transportation-HUD appropriations proposal, HR 5850, providing $45.2 billion in highway obligation authority, $3.515 billion in Airport Improvement Project funding, $1.4 billion for High Speed Intercity Passenger Rail, and $400 million for TIGER multi-modal grants. The Senate appropriations committee approved S 3644 on July 22, providing $41.8 billion in highway obligation authority, $3.515 in AIP funding, $1 billion for HSIPR, and $800 million for TIGER multi-modal grants. The president signed a Continuing Resolution on Sept. 30, 2010, to keep transportation and other federal programs funded at FY 2010 levels until December 3, 2010. Congress has not passed any of the dozen appropriations bills for the fiscal year that began October 1. Senior appropriators told reporters that they do not expect an "omnibus" appropriations bill combining all 12 pieces of legislation into one massive package to set funding levels for the rest of this fiscal year. Rather they expect another continuation of Fiscal Year 2010 funding levels into next year, which would give the new Congress an opportunity to complete work on the spending measures. Republicans, who will take control of the House in January, are calling for rolling back federal spending for most programs to Fiscal Year 2008 levels. They also seek to rescind unspent American Recovery and Reinvestment Act of 2009 funds that would include numerous state high-speed and intercity passenger rail projects plus dozens of highway, rail, transit, and port projects funded by TIGER grants. On Dec. 2, the House and Senate cleared a fiscal 2011 continuing resolution that would keep the government operating until Dec. 18. H.J. Res. 101 has been cleared for the President's signature.

Aviation Reauthorization

The multi-year aviation authorization bill, known as Vision 100 (PL 108 -176), expired on October 1, 2007, and programs have been continuing under a series of authorization extensions. Multi-year authorization bills have been passed by the Senate on March 22 and by the House on March 25 as separate amendments to HR

1586. A conference committee will resolve the differences between the two proposals. In the meantime, aviation programs received yet another short-term extension. On September 30, 2010, the president signed another extension, until Dec. 31, 2010, since several issues remain to be resolved. On Dec. 2 the House passed a bill to extend aviation programs and excise taxes through March 31, 2011. If enacted into law, the three-month extension would be the 17th short-term extension since the last FAA reauthorization bill expired more than three years ago. The Senate will still need to act on this bill.

Surface Transportation Reauthorization

The multi-year surface transportation authorization act, known as SAFETEA-LU, expired on October 1, 2009. The federal-aid programs, including highway, transit, highway safety, and motor carrier programs are continued through a series of extensions.

The current extension was included in HIRE, which was signed on March 18, 2010 (PL 111-147) and continues programs through December 31, 2010. In addition to program extensions, the act did away with the $8 billion contract authority rescission enacted in SAFETEA-LU, and also transferred $19.5 billion from the General Fund to the Highway Trust Fund to keep that fund solvent. While the formula programs have been extended, the earmarked projects in SAFETEA-LU have not been extended. The funding which would have been earmarked was redistributed among the core programs. Two of the SAFETEA-LU earmarked programs were controversial because 58 percent of the funding was provided to four states and 21 states received none of the funding. Language providing a “fix” for that situation has been included in subsequent legislation, but has not been passed.

In June 2009, Congressman Oberstar unveiled a draft reauthorization bill known as the Surface Transportation Authorization Act (STAA). The 5-year proposal would increase funding from the Highway Trust Fund by 57 percent over SAFETEA-LU levels, with most of the increase going to safety and transit. The proposal emphasizes intermodal projects, livability projects, and transit in large areas. Oberstar included performance targets and investment plans for nearly every program, along with stepped-up bridge inspection requirements. Due largely to the question of how to fund it, STAA has remained a discussion draft only.

However, several bills have been introduced as potential additions to reauthorization language. One example is S. 3485, introduced June 15, 2010, which would provide surface transportation funds to rural states specifically, in order to provide balance to the large urban area focus of the discussion draft.

On September 6, President Obama announced the outlines of a six-year transportation infrastructure plan, including an up-front investment of $50 billion for roads, rail and airports. The funding source mentioned in the announcement was for establishment of an Infrastructure Bank to leverage federal dollars and focus on investments of national and regional significance. The concept of an infrastructure bank has been emphasized by the administration in recent congressional hearings.

The administration says the plan would put high-speed rail on an equal footing within surface transportation programs, streamline and prioritize transportation investments, and use performance measures and competition to improve outcomes. It would also expand investments in areas such as safety, economic competitiveness, livability and environmental sustainability. No language has been introduced, and Congress would have to approve the initial $50 billion in funding.

The Senate is reportedly working on an extension of expiring surface transportation programs that could last through July 4, 2011. House Transportation and Infrastructure Committee Chairman James Oberstar suggested during a meeting with reporters that he prefers a one-year extension. Rep. John Mica, Ranking Member of the House T & I, called for a six-month extension. Mica is expected to take over as T & I chairman when the 112th Congress convenes in January.

Climate Change Legislation
The Kerry-Lieberman bill, released as a discussion draft on May 12, is now seen as unlikely to pass in its current form. Many other energy/climate-related proposals are being discussed, although currently none of these alternative proposals include a carbon fee or funding for the Highway Trust Fund. The most recent proposal is by Senator Reid (S.3663). His bill addresses the oil spill and other issues and provides incentives to encourage communities and consumers to move toward alternative fuel vehicles. It is possible that the Senate will take this up in an anticipated lame duck session.

Tiger II
On May 28, Transportation Secretary Ray LaHood announced the availability of $600 million in TIGER II grants for capital investment in surface transportation projects. The Federal Register notice stated that "funds for the TIGER II program are to be awarded on a competitive basis for projects that have a significant impact on the nation, a metropolitan area, or a region." Primary selection criteria listed included contributing to the long-term economic competitiveness of the nation, improving the condition of existing transportation facilities and systems, improving energy efficiency and reducing greenhouse gas emissions, improving the safety of U.S. transportation facilities and improving the quality of living and working environments of communities through increased transportation choices and connections. The USDOT was also directed to consider geographic distribution, and to give priority to projects that are expected to quickly create and preserve jobs and stimulate rapid increases in economic activity. The DOT submitted applications for five projects. On October 20, US DOT announced the recipients: 75 projects in 40 states. No Iowa DOT applications were funded.

High Speed Intercity Passenger Rail competitive grant application
Applications for U.S. DOT Federal Railroad Administration (FRA) High Speed Intercity Passenger Rail projects were due August 6. This program is collaborative effort among the federal government, states, railroads, and other key stakeholders to help create a national network of high-speed rail corridors.

On October 25, FRA announced the projects to be funded, including a joint application submitted by the Iowa DOT and Illinois DOT. The $230 million award will help implement new passenger rail service from Chicago to Iowa City via the Quad Cities. Find more details at:
http://www.iowadot.gov/iowarail/passenger/highspeedintercity.htm

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